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July 11, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

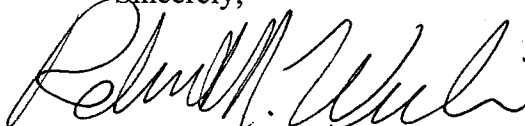
Re: Boston Edison Company, D.T.E. 01-78 (Phase II)

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter is the response of Boston Edison Company d/b/a NSTAR Electric to the Information Request set forth on the accompanying list. Please note that this errata response supercedes the initial response, which was filed erroneously. We apologize for any inconvenience.

Thank you for your attention to this matter.

Sincerely,



Robert N. Werlin

Enclosures

cc: Service List

Responses to Information Requests

AG-1-9 [errata]

COMMONWEALTH OF MASSACHUSETTS

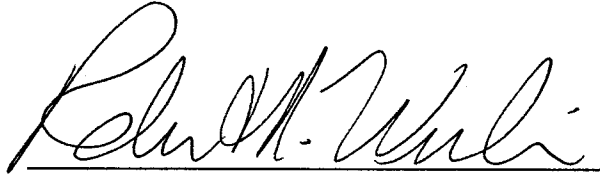
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Boston Edison Company d/b/a NSTAR Electric)
_____)

D.T.E. 01-78 (Phase II)

CERTIFICATE OF SERVICE

I certify that I have this day served the foregoing response to an information request upon the Department of Telecommunications and parties of record in accordance with the requirements of 220 C.M.R. 1.05 (Department's Rules of Practice and Procedures).



Robert N. Werlin, Esq.
Keegan, Werlin & Pabian, LLP
21 Custom House Street
Boston, Massachusetts 02110
(617) 951-1400

Dated: July 11, 2002

Information Request AG-1-9

Referring to Exh. BEC-BKR-2 (Supp), page 6, please reconcile the principle and interest payment amounts for the years 1999, 2000, and 2001 with those amounts shown on page 3 of the Exh. BEC-BKR-1 (Settlement) attached to the D.T.E. 00-82 Settlement.

Response [errata]

As described in Exhibit BEC-BKR (Supp), page 2:

The Securitization True-Up represents the reconciliation of the securitization amount as required in the Financing Order issued by the Department in D.T.E. 98-118. Boston Edison is required to file Routine True-Up Letters prior to each anniversary of the date of the Financing Order. In addition to the Issuance Advice Letter dated July 28, 1999 that set the initial RTC (reimbursable transitional cost) Charge and was approved by the Department, two Routine True-Up Letter filings have been filed to date, March 13, 2000 and March 15, 2001. These filings have used the forward-looking methodology approved by the Department in the Financing Order to adjust upward or downward the existing RTC Charge.

Exhibit BEC-BKR-2 (Supp), page 6 reconciles the amount received by the Securitization fund from the Transition payments as reflected in the Routine True-Up Letters (provided in response to Information Request AG-1-6) with the amount contributed from the Transition payments to the Securitization fund as reflected in the Transition charge true-up (note: these are two different true ups). Page 6 shows the actual receipts into the Securitization fund from the Transition Charge (RTC Component). It does so by taking the difference between the beginning balance and the ending balance of the fund for each year, adds back payments from the fund to bondholders for principal and interest, adds back fund expenses and subtracts interest earned by the fund. This then shows the actual amount received by the Securitization fund from the Transition charge. This amount is grossed up by the 0.67 percent adjustment on page 2, line (s) of the Routine True-up letter, "Annual RTC charge-offs for most recent reconciliation period (per annum)," and used in the calculation on line (q). There was an error in the filing of this page because it did not account for the gross-up. The revised calculation of BEC-BKR-2 (Supp), Page 6 (Revised) is included as Attachment 1, hereto. This attachment shows the difference between the amount of transition revenues related to the Securitization filing (Col. I) and the amount shown as

collectible I the Transition Charge (Col. J). The difference is an adjustment to the transition charge and is shown in Col. K.

The remainder of this data response explains how the difference occurs and reconciles the difference as requested.

The difference results from several sources.

First, the Transition filing each year as approved by the Department sets the amount of Securitization costs to be charged to customers. This rate is approved and goes into effect in January to be set for the entire year. However, under the Securitization filing, the amount actually paid into the fund was initially set by the Issuance Advice Letter and each year a Routine True-Up Letter is sent to the Department setting the rates for the succeeding twelve months starting April 1st. Thus, there is not only a different rate actually paid into the securitization fund but the period over which the rates are effective is different. The difference between these is shown in Attachment 2, hereto and amounts to several million dollars each year.

The second difference is that the interest expense used in setting the transition charge rate was approximate. The approximation was necessary because the calculation was based on the estimated average balance left in the transition charge after payment of the daily amounts. The daily amounts were based on the actual daily consumption of customers, which could not be predicted – thus the balance and interest could not be predicted. A true up was always necessary but had not been performed in prior years. The difference in the approximation was made greater because of an error in the calculation of the interest in years where a pay-down occurred, i.e., the calculation was based on the ending balance rather than the average balance for the year. The corrected schedule is provided in Attachment 3, hereto. In this schedule the interest is calculated on the average paid-down balances.

The third difference is that the filing in D.T.E. 99-107, Exhibit BEC-2 pages 4 and 5 of 7, assumed the fund earns interest at the average value of the rate reduction bonds, whereas the daily collections are transferred to the trustee and placed into a fund that earns a different rate from the average rate of the rate reduction bonds. The average interest rate actually earned on the rate reduction bond collections is shown in Attachment 4, hereto.

In summary, the reconciliation of the Transition charge true up should have been based on the actual cash receipts adjusted for losses into the Securitization fund, rather than on the rate set in the transition charge. Exh. BEC-BKR-2 (Supp), page 6, (Revised) makes this correction.

Revised Securitization True-Up													
\$ in Millions													
Year	Ending Securitization Account Balance		RRB Principal Payments		RRB Interest Payments		Less: Interest Earned		Admin Fees		Less: Beginning Securitization Account Balance		Securitization True-Up
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M
1999	\$ 49,009	\$ -	\$ -	\$ (0.368)	\$ 0.380	\$ -	\$ 49,021	\$ 0.331	\$ 49,352	\$ 46,822	\$ 2,530		
2000	\$ 33,227	\$ 78,441	\$ 53,184	\$ (2,260)	\$ 0.912	\$ (49,009)	\$ 114,496	\$ 0.772	\$ 115,268	\$ 112,624	\$ 2,644		
2001	\$ 39,131	\$ 62,428	\$ 42,622	\$ (1,159)	\$ 0.912	\$ (33,227)	\$ 110,707	\$ 0.747	\$ 111,454	\$ 105,186	\$ 6,268		
Note: Col. H = (Col. G / (1 - .0067)) - Col. G													
Charge-off rate of 0.67% per Attachments to AG-1-6 as follows:													
Year	Attachment	Description											
1999	1	Issuance Advice Letter, page 3											
2000	2	First Annual Routine True-Up Letter, page 3											
2001	3	Second Annual Routine True-Up Letter, page 3											

Rate Analysis
\$ in Millions

D.T.E. 01-78
Attachment 2
AG-1-9
Page 1 of 1

Year	Month(s)	Fixed Component	RTC Charge	Difference	GWH Billed	Over/ (Under)
1999	Jan to July	1.02444	-	1.02444	8,084.044	NA
	Aug	1.02444	1.09432	(0.06988)	1,338.224	\$ (0.935)
	Sept to Dec	0.97333	1.09432	(0.12099)	4,589.611	(5.553)
					<u>14,011.879</u>	<u>\$ (6.488)</u>
2000	Jan to Mar	0.84495	1.09432	(0.24936)	3,729.896	\$ (9.301)
	Apr to Dec	0.84495	0.70670	0.13825	10,520.823	14.546
					<u>14,250.719</u>	<u>\$ 5.244</u>
2001	Jan to Mar	0.71647	0.70670	0.00977	3,773.722	\$ 0.369
	Apr to Dec	0.71647	0.75860	(0.04213)	10,851.301	(4.571)
					<u>14,625.023</u>	<u>\$ (4.202)</u>
						<u>\$ (5.446)</u>

	Fixed Component	
<u>Docket #</u>	<u>Rate</u>	
DTE 98-111	\$ 135.092	1.1017 RTC per Issuance Advice Letter
GWH	13,187.000	0.67% Percent of billed amounts expected to be charged-off
Cents per kWh	<u>1.02444</u>	<u>1.09432</u> Applicable RTC Collection Rate
DTE 98-118/15%	\$ 128.352	
GWH	13,187.000	
Cents per kWh	<u>0.97333</u>	
DTE 99-107	\$ 112.624	
GWH	13,329.000	
Cents per kWh	<u>0.84495</u>	
DTE 00-82	\$ 105.186	
GWH	14,681.000	
Cents per kWh	<u>0.71647</u>	

FIXED COMPONENT INTEREST
RECONCILIATION
\$ in Millions

<u>Year</u>	<u>Per D.T.E. 99-107 Filing</u>	<u>Revised Interest</u>	<u>Difference</u>
Col A	Col.B	Col.C	Col.D
1999	\$ 19.865	\$ 20.592	\$ 0.726
2000	43.370	45.416	\$ 2.046
2001	39.168	41.378	\$ 2.210
2002	34.704	36.932	\$ 2.228
2003	30.271	32.519	\$ 2.248
2004	25.723	28.007	\$ 2.284
2005	21.033	23.412	\$ 2.379
2006	16.297	18.680	\$ 2.383
2007	11.546	13.943	\$ 2.397
2008	6.723	9.148	\$ 2.425
2009	1.907	4.332	\$ 2.425
2010	0.912	1.016	\$ 0.104
Total	\$ 251.519	\$ 275.375	\$ 23.856

Note:

Source Col B pages 2 and 3 (Changes shown shaded)

Source Col C pages 4 and 5

Boston Edison Company
REVISED CALCULATION
Securitized Rate Reduction Bonds
Year End interest earned in the Transition Charge
\$ in Millions

Line	Date	A1 5.99%	A2 6.45%	A3 6.62%	A4 6.91%	A5 7.03%	Total	Weighted Rate
1	29-Jul-99	\$ 108.500	\$ 170.610	\$ 103.390	\$ 170.876	\$ 171.624	\$ 725.000	
2	15-Sep-99	100.152	170.610	103.390	170.876	171.624	716.652	
3	31-Dec-99	81.543	170.610	103.390	170.876	171.624	698.043	
4	Accrued Interest	2.598	4.644	2.889	4.983	5.092	\$ 20.206	6.69%
5	Annual Expense						0.385	
6	Total Interest & Expense						\$ 20.592	
7								
8	15-Mar-00	68.500	170.610	103.390	170.876	171.624	685.000	
9	15-Sep-00	30.059	170.610	103.390	170.876	171.624	646.559	
10	31-Dec-00	12.289	170.610	103.390	170.876	171.624	628.789	
11	Accrued Interest	2.782	11.004	6.844	11.808	12.065	\$ 44.504	6.70%
12	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
13	Total Interest & Expense						\$ 45.416	
14								
15	15-Mar-01	-	170.610	103.390	170.876	171.624	616.500	
16	15-Sep-01	-	138.240	103.390	170.876	171.624	584.130	
17	31-Dec-01	-	116.881	103.390	170.876	171.624	562.771	
18	Accrued Interest	0.077	9.673	6.844	11.808	12.065	\$ 40.466	6.78%
19	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
20	Total Interest & Expense						\$ 41.378	
21								
22	15-Mar-02	-	102.110	103.390	170.876	171.624	548.000	
23	15-Sep-02	-	68.014	103.390	170.876	171.624	513.904	
24	31-Dec-02	-	47.676	103.390	170.876	171.624	493.566	
25	Accrued Interest	-	5.303	6.844	11.808	12.065	\$ 36.020	6.82%
26	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
27	Total Interest & Expense						\$ 36.932	
28								
29	15-Mar-03	-	33.610	103.390	170.876	171.624	479.500	
30	15-Sep-03	-	-	103.390	170.876	171.624	445.890	
31	31-Dec-03	-	-	82.878	170.876	171.624	425.378	
32	Accrued Interest	-	1.088	6.646	11.808	12.065	\$ 31.607	6.88%
33	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
34	Total Interest & Expense						\$ 32.519	
35								
36	15-Mar-04	-	-	68.500	170.876	171.624	411.000	
37	15-Sep-04	-	-	34.650	170.876	171.624	377.150	
38	31-Dec-04	-	-	14.166	170.876	171.624	356.666	
39	Accrued Interest	-	-	3.222	11.808	12.065	\$ 27.095	6.91%
40	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
41	Total Interest & Expense						\$ 28.007	
42								

Boston Edison Company
REVISED CALCULATION
Securitized Rate Reduction Bonds
Year End interest earned in the Transition Charge
\$ in Millions

Line	Date	A1 5.99%	A2 6.45%	A3 6.62%	A4 6.91%	A5 7.03%	Total	Weighted Rate
43	15-Mar-05	-	-	-	170.876	171.624	342.500	
44	15-Sep-05	-	-	-	137.123	171.624	308.748	
45	31-Dec-05	-	-	-	116.582	171.624	288.206	
46	Accrued Interest	-	-	0.098	10.337	12.065	\$ 22.500	6.98%
47	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
48	Total Interest & Expense						\$ 23.412	
49								
50	15-Mar-06	-	-	-	102.376	171.624	274.000	
51	15-Sep-06	-	-	-	68.520	171.624	240.144	
52	31-Dec-06	-	-	-	48.040	171.624	219.664	
53	Accrued Interest	-	-	-	5.703	12.065	\$ 17.768	7.00%
54	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
55	Total Interest & Expense						\$ 18.680	
56								
57	15-Mar-07	-	-	-	33.876	171.624	205.500	
58	15-Sep-07	-	-	-	-	171.624	171.624	
59	31-Dec-07	-	-	-	-	151.268	151.268	
60	Accrued Interest	-	-	-	1.175	11.856	\$ 13.031	7.03%
61	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
62	Total Interest & Expense						\$ 13.943	
63								
64	15-Mar-08	-	-	-	-	137.000	137.000	
65	15-Sep-08	-	-	-	-	103.135	103.135	
66	31-Dec-08	-	-	-	-	82.660	82.660	
67	Accrued Interest	-	-	-	-	8.236	\$ 8.236	7.02%
68	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
69	Total Interest & Expense						\$ 9.148	
70								
71	15-Mar-09	-	-	-	-	68.500	68.500	
72	15-Sep-09	-	-	-	-	34.631	34.631	
73	31-Dec-09	-	-	-	-	14.159	14.159	
74	Accrued Interest	-	-	-	-	3.420	\$ 3.420	7.06%
75	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
76	Total Interest & Expense						\$ 4.332	
77								
78	15-Mar-10	-	-	-	-	-	-	
79	15-Sep-10	-	-	-	-	-	-	
80	31-Dec-10	-	-	-	-	-	-	
81	Accrued Interest	-	-	-	-	0.104	\$ 0.104	7.22%
82	Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
83	Total Interest & Expense						\$ 1.016	

Boston Edison Company
Original Filing DTE 99-107 Exhibit BEC-2
Securitized Rate Reduction Bonds
Year End interest earned in the Transition Charge
\$ in Millions

Date	A1 5.99%	A2 6.45%	A3 6.62%	A4 6.91%	A5 7.03%	Total	Weighted Rate
29-Jul-99	\$ 108.500	\$ 170.610	\$ 103.390	\$ 170.876	\$ 171.624	\$ 725.000	
15-Sep-99	100.152	170.610	103.390	170.876	171.624	716.652	
31-Dec-99	81.543	170.610	103.390	170.876	171.624	698.043	
Accrued Interest	4.884	11.004	6.844	11.808	12.065	\$ 46.606	6.68%
Annual Expense						-	
Total Interest & Expense						\$ 46.606	
15-Mar-00	68.500	170.610	103.390	170.876	171.624	685.000	
15-Sep-00	30.059	170.610	103.390	170.876	171.624	646.559	
31-Dec-00	12.289	170.610	103.390	170.876	171.624	628.789	
Accrued Interest	\$ 0.736	\$ 11.004	\$ 6.844	\$ 11.808	\$ 12.065	\$ 42.458	6.75%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 43.370	
15-Mar-01	-	170.610	103.390	170.876	171.624	616.500	
15-Sep-01	-	138.240	103.390	170.876	171.624	584.130	
31-Dec-01	-	116.881	103.390	170.876	171.624	562.771	
Accrued Interest	-	7.539	6.844	11.808	12.065	\$ 38.256	6.80%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 39.168	
15-Mar-02	-	102.110	103.390	170.876	171.624	548.000	
15-Sep-02	-	68.014	103.390	170.876	171.624	513.904	
31-Dec-02	-	47.676	103.390	170.876	171.624	493.566	
Accrued Interest	-	3.075	6.844	11.808	12.065	\$ 33.792	6.85%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 34.704	
15-Mar-03	-	33.610	103.390	170.876	171.624	479.500	
15-Sep-03	-	-	103.390	170.876	171.624	445.890	
31-Dec-03	-	-	82.878	170.876	171.624	425.378	
Accrued Interest	-	-	5.487	11.808	12.065	\$ 29.359	6.90%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 30.271	
15-Mar-04	-	-	68.500	170.876	171.624	411.000	
15-Sep-04	-	-	34.650	170.876	171.624	377.150	
31-Dec-04	-	-	14.166	170.876	171.624	356.666	
Accrued Interest	-	-	0.938	11.808	12.065	\$ 24.811	6.96%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 25.723	

Boston Edison Company
Original Filing DTE 99-107 Exhibit BEC-2
Securitized Rate Reduction Bonds
Year End interest earned in the Transition Charge
\$ in Millions

	A1	A2	A3	A4	A5	Total	Weighted Rate
	5.99%	6.45%	6.62%	6.91%	7.03%		
15-Mar-05	-	-	-	170.876	171.624	342.500	
15-Sep-05	-	-	-	137.123	171.624	308.748	
31-Dec-05	-	-	-	116.582	171.624	288.206	
Accrued Interest	-	-	-	8.056	12.065	\$ 20.121	6.98%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 21.033	
15-Mar-06	-	-	-	102.376	171.624	274.000	
15-Sep-06	-	-	-	68.520	171.624	240.144	
31-Dec-06	-	-	-	48.040	171.624	219.664	
Accrued Interest	-	-	-	3.320	12.065	\$ 15.385	7.00%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 16.297	
15-Mar-07	-	-	-	33.876	171.624	205.500	
15-Sep-07	-	-	-	-	171.624	171.624	
31-Dec-07	-	-	-	-	151.268	151.268	
Accrued Interest	-	-	-	-	10.634	\$ 10.634	7.03%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 11.546	
15-Mar-08	-	-	-	-	137.000	137.000	
15-Sep-08	-	-	-	-	103.135	103.135	
31-Dec-08	-	-	-	-	82.660	82.660	
Accrued Interest	-	-	-	-	5.811	\$ 5.811	7.03%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 6.723	
15-Mar-09	-	-	-	-	68.500	68.500	
15-Sep-09	-	-	-	-	34.631	34.631	
31-Dec-09	-	-	-	-	14.159	14.159	
Accrued Interest	-	-	-	-	0.995	\$ 0.995	7.03%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 1.907	
15-Mar-10	-	-	-	-	-	-	
15-Sep-10	-	-	-	-	-	-	
31-Dec-10	-	-	-	-	-	-	
Accrued Interest	-	-	-	-	-	\$ -	0.00%
Annual Expense per 7/28/99 Issuance Advice Letter, Attachment 2						0.912	
Total Interest & Expense						\$ 0.912	

Collections Account Interest
\$ in Millions

D.T.E. 01-78
Attachment 4
AG-1-9
Page 1 of 1

	<u>Average Balance</u>	<u>Interest Earned</u>	<u>Interest Rate</u>	<u>Average Rate</u>
Sep-99	\$5.214	\$0.011	4.84%	
Oct-99	\$15.475	\$0.062	4.84%	
Nov-99	\$29.197	\$0.115	4.73%	
Dec-99	\$42.583	\$0.180	5.09%	4.87%
Jan-00	\$55.042	\$0.229	5.00%	
Feb-00	\$66.960	\$0.264	4.73%	
Mar-00	\$34.899	\$0.168	5.78%	
Apr-00	\$20.620	\$0.085	4.92%	
May-00	\$33.940	\$0.155	5.49%	
Jun-00	\$43.331	\$0.199	5.50%	
Jul-00	\$51.008	\$0.244	5.75%	
Aug-00	\$59.623	\$0.283	5.69%	
Sep-00	\$36.254	\$0.157	5.21%	
Oct-00	\$12.343	\$0.061	5.89%	
Nov-00	\$21.524	\$0.098	5.47%	
Dec-00	\$29.709	\$0.143	5.76%	5.43%
Jan-01	\$37.565	\$0.177	5.64%	
Feb-01	\$45.913	\$0.178	4.65%	
Mar-01	\$30.059	\$0.110	4.39%	
Apr-01	\$14.479	\$0.049	4.03%	
May-01	\$22.397	\$0.069	3.72%	
Jun-01	\$30.708	\$0.082	3.20%	
Jul-01	\$39.676	\$0.098	2.98%	
Aug-01	\$44.744	\$0.104	2.78%	
Sep-01	\$30.602	\$0.066	2.61%	
Oct-01	\$15.570	\$0.027	2.09%	
Nov-01	\$25.559	\$0.034	1.60%	
Dec-01	\$34.465	\$0.037	1.29%	3.25%
Jan-02	\$43.588	\$0.042	1.17%	